

As Trustees, we provide all members with regular information about the level of funding that supports your pension.

This statement summarises the results of the full valuation at 31 March 2021 and the annual funding update at 31 March 2022.

These financial health checks are vital for monitoring the Scheme's progress. We hope the information helps you to understand how the Scheme is developing.

The latest position

The table below shows the full valuation at 31 March 2021 alongside the annual funding updates at 31 March 2020 and 31 March 2022.

	Update	Valuation	Update
Date	31 March 2020	31 March 2021	31 March 2022
The funding level	89%	105%	109%
The funding target	£49.3 million	£44.3 Million	£42.4 Million
The value of the Scheme's assets	£43.9 million	£46.7 Million	£46.2 Million
The overall position	Deficit of £5.4 million	Surplus of £2.4 Million	Surplus of £3.8 Million

The latest update shows that the funding level improved significantly over 2021 and improved again over 2022.

It is important to remember that it is normal for pension scheme funding levels to fluctuate over time. Even if funding is temporarily below target, the Scheme will continue to pay benefits in full as long as it continues.

The next financial check will be based on the Scheme's position at 31 March 2023. We will report on the results once they are complete, which is likely to be in 2023.

Reasons for the change

The position improved significantly from March 2020 and then slightly from March 2021 to March 2022 as a result of:

- positive investment performance which has meant that the Scheme's assets have risen in value;
- a rise in interest rates which has increased expectations for future investment returns;
- offset to some extent by increases to expectations for inflation which has increased the value of the liabilities.

Financial support

The Company has provided significant financial support for the Scheme in the past which has helped the Scheme to achieve its current funding position.

The next formal valuation will look at the Scheme's position at 31 March 2024. This will include evaluating whether the Company needs to make contributions to the Scheme.

If the Scheme came to an end

The Scheme's funding level is worked out in two ways.

- The 'ongoing' basis (shown on the previous page), which assumes that the Scheme will continue into the future.
- The 'full solvency' basis, which shows the funding position if the Scheme started to 'wind up' at the date of the valuation. If this happened, all members' benefits would have to be secured without delay by buying insurance policies.

At 31 March 2021, the Scheme's full solvency funding level was 108% with a surplus of £3.5 million. At 31 March 2022, this had improved to c.112%.

We are obliged to tell you if there have been any payments to the Company out of Scheme funds since the last update, and there have not been any such payments.

Contacts

If you have any questions about the Scheme or your pension, please contact the Company Secretarial Department at the following address:

The Trustees of the Prowing Pension Scheme,
Persimmon House, Fulford, York, YO19 4FE

The Pension Protection Fund

If the Company did become insolvent, the Pension Protection Fund (the PPF) may step in and pay some compensation to members. There are more details on the PPF website at:

www.ppf.co.uk

The Pensions Regulator

The Pensions Regulator is the UK watchdog of workplace pension schemes. It has the authority to change the way occupational pension schemes are run though it has not needed to use its powers in this way for our Scheme. You can find out more about the Regulator online at

www.thepensionsregulator.gov.uk.

Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser (IFA). You can find an adviser in your area by searching the Money and Pensions Service directory at:

<https://maps.org.uk/>

Before you appoint anyone, you should check that the adviser is suitably qualified and authorised.

You can do this online at

<https://register.fca.org.uk>

or by phoning the Financial Conduct Authority helpline
0800 111 6768.

